

TRAVEL BUSINESS
ROUNDTABLE



A Strategic Partner to **TIA**



Travel Industry Association
of America

TESTIMONY OF

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PRESIDENT AND CEO

TRAVEL INDUSTRY ASSOCIATION OF AMERICA

BEFORE THE

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE ON IMMIGRATION, BORDER SECURITY AND CLAIMS

ON

THE NEED TO IMPLEMENT WHTI TO PROTECT U.S. HOMELAND SECURITY

JUNE 8, 2006

On behalf of the Travel Industry Association of America (TIA), along with its strategic partner, the Travel Business Roundtable (TBR), I ask that this written testimony be submitted for the record of today's hearing on the Western Hemisphere Travel Initiative (WHTI).

Chairman Hostettler and Ranking Member Jackson Lee, we thank you for your leadership in holding this hearing on a subject of great importance to the U.S. travel and tourism industry – implementation of the Western Hemisphere Travel Initiative, or WHTI.

On behalf of the \$650 billion U.S. travel industry and its 7.3 million direct employees, TIA and TBR wish to offer our views on this issue, which is critically important to all of our members as the U.S. government continues to grapple with finding the right balance between homeland security and facilitation of legitimate travel and trade.

While we have always wholeheartedly supported the security intent of Section 7209 of the Intelligence Reform and Terrorism Prevention Act of 2004, which aims to have U.S. Customs and Border Protection officers examining fewer and more secure travel documents, the implementation plan of WHTI still raises many questions and concerns.

First, we continue to believe the two-tiered deadline approach that would cover all inbound air and sea travel to the United States on January 1, 2007 may well create significant difficulties for travelers returning to the U.S. following a cruise vacation. We have consistently advocated for a single, unified deadline in order to prevent even more confusion, which can easily lead to cancelled trips and less travel spending in the U.S. While we would not expect there to be any significant impact on air travel since nearly all airlines are already requiring passengers to present passports for Western

Hemisphere travel into the United States, we remain concerned about the impact on cruise travel since many of those travelers are not currently required to carry passports. Many individuals are already purchasing cruises for 2007, well before the new requirement for sea travel is being publicized and certainly well before any alternative document besides a passport might be available for travelers.

Regarding the statutory deadline of January 1, 2008 passed by Congress, we are now distressed that, with only 19 months to go, the federal government is unprepared to implement WHTI in a fashion that will both enhance our nation's border security and continue to facilitate legitimate cross-border travel and trade.

This past weekend's arrest of 17 individuals planning attacks on Canada clearly illustrates that terrorism still threatens to permeate our borders and reinforces the fact that border security must be heightened. However, the federal government must carefully implement security measures so that they do not strangle legitimate commerce and travel across our borders. A system whose technology is not fully developed nor sufficiently tested will aggravate and not alleviate border security concerns.

As the U.S. travel industry, our primary focus is on inbound Canadian travel since Canada represents our largest international travel market with over 14 million visitors in 2005. It is important to note that the impact on the U.S. economy from Canadian travel spans across the map. Florida, California and Nevada, states far from the physical border, are the top three U.S. destinations for Canadian travelers. With the knowledge that less than 40 percent of the Canadian population currently holds a passport, we are unsure how many business and leisure trips into the U.S. might now be cancelled due to a lack of the proper documentation, confusion over the rules, or an unwelcoming view of our nation.

We are also concerned about the impact on American travel to Canada, Mexico and Caribbean. We believe it is critical for Americans to travel abroad and experience other cultures and peoples. It is only through these encounters and exchanges that the U.S. can better understand and appreciate its neighbors in the Western Hemisphere. Just as high-tech documents and stepped-up border enforcement are essential for securing our nation's homeland, so are strong economic, social and cultural ties with Canada, Mexico, the Caribbean and beyond.

While we commend the very diligent and professional work of the leadership at the Departments of State and Homeland Security on this very serious matter, we also believe what is needed is, at times, some "out of the box" thinking in order to meet the dual mandate of securing America's borders while facilitating legitimate travel and trade.

The current joint trusted traveler program between Canada and the U.S., NEXUS, has provided valuable lessons about how a jointly developed program can enhance secure travel moving in both directions across the border. Since the passage of WHTI, we have hoped that the U.S. and Canadian governments would develop a similar program to meet this new requirement, but to date the U.S. has neither worked with the Canadians nor provided sufficient policy guidance or technical specifications to allow the Canadian government or provinces to develop travel documents that will work at U.S. border facilities.

In our filing of comments last fall, in our letters to Congress, and in various speeches given to industry groups and legislative staff members, TIA and TBR have offered numerous options that we believe will provide for a more workable solution with regard to the implementation of WHTI. These suggestions are also endorsed by several dozen other national travel and tourism organizations who are also very concerned about WHTI.

The travel and tourism industry's suggestions include:

- Creating a single, unified deadline for WHTI of January 1, 2008 – the only deadline Congress required via Section 7209 of the Intelligence Reform and Terrorism Prevention Act of 2004;
- Exercising broad discretion in determining which documents other than passports will be accepted;
- Developing, in cooperation with the Canadian government, low-cost alternative travel documents for both Americans and Canadians;
- Creating price incentives for the broader distribution of U.S. passports;
- Working with state and provincial governments on the possible use of enhanced driver's licenses for cross-border travel and/or the use of state issuance processes to enroll applicants and deliver federal identification documents to the public;
- Working with the private sector on an aggressive public outreach campaign; and
- Conducting a full cost-benefit analysis and economic impact study in order to determine how WHTI will affect the U.S. travel industry.

As you know, the Department of State (DOS) and the Department of Homeland Security (DHS) have announced the development of the PASS card as a means to provide a lower-cost, easier-to-obtain and easier-to-carry version of a passport. We believe PASS is part of the right model for meeting the WHTI requirement. However, the ability of DOS to issue a procurement, conduct testing, issue the cards to the millions of necessary recipients, ensure that the PASS cards can be read by new CBP readers, coordinate the use of PASS cards with existing programs such as NEXUS and FAST, and mount a public education campaign in the next 19 months, is highly suspect, even if the procurement and testing processes go smoothly.

As the limited time to meet the WHTI deadline has slipped away without a full compliance plan in place, TIA, TBR and a number of other travel and business organizations have wrestled with the question of whether or not the January 1, 2008 deadline should be extended in order to more properly implement some of the ideas listed above. While WHTI needs to commence at some certain date, it is more important to "get it right" than to simply begin on a date where the impact on legitimate cross-border travel and trade could be severe.

TIA and TBR have supported Senators Ted Stevens and Patrick Leahy's amendment to the Senate's immigration bill (S. 2611) that extends the WHTI deadline by 17 months from January 1, 2008 to June 1, 2009. We are also aware of and commend other policymakers for amendments and legislation that offer constructive solutions to avoid any disruption of cross-border travel and trade due to WHTI.

Ultimately we believe that an extension of the January 1, 2008 deadline is needed as is some very specific guidance regarding pricing of passports or alternative travel documents. In addition, the U.S. must work in a bilateral fashion with Canada on the development of such alternative travel documents and an outreach campaign to educate affected travelers.

Thank you, again, Chairman Hostettler and Ranking Member Jackson Lee, for holding this hearing, for your leadership on these issues, and for your understanding that we must endeavor to protect our borders while at the same time strive to increase travel with our key trade partners in the Western Hemisphere. We look forward to continuing to work with this subcommittee and other Representatives interested in a common-sense solution to a very critical issue for the U.S. travel industry and the nation as a whole.



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TIA is the national, non-profit organization representing all components of the \$650 billion travel industry. With over 2,100 members, TIA's mission is to represent the whole of the U.S. travel industry to promote and facilitate increased travel to and within the United States

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A Strategic Partner to **TIA**

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The Travel Business Roundtable (TBR), a strategic partner to the Travel Industry Association of America (TIA), is a CEO-based organization representing all sectors of the travel and tourism industry. The mission of TBR is to educate elected officials and policymakers about the importance of the travel and tourism industry to the nation's economy.